

**COMMITTEE ON FINANCE**  
**(Standing Committee of Berkeley County Council)**

**Chairman:** Mr. Jack H. Schurlknight, Council Member District No. 6

A **meeting** of the **Committee on Finance**, Standing Committee of Berkeley County Council, was held on Monday, **March 26, 2012**, in the Assembly Room of the Berkeley County Administration Building, 1003 Highway 52, Moncks Corner, South Carolina, at 6:08 p.m.

PRESENT: Chairman Jack H. Schurlknight, Council District No. 6; Committee Member Robert O. Call, Jr., Council District No. 3; Committee Member Cathy S. Davis, Council District No. 4; Committee Member Caldwell Pinckney, Jr., Council District No. 7; ex-officios Mr. Daniel W. Davis, County Supervisor, Mr. Phillip Farley, Council District No. 1; Mr. Timothy J. Callanan, Council District No. 2, and Mr. Dennis Fish, Council District No. 5, Ms. Elizabeth Cannon, Assistant County Attorney; and Ms. Catherine Windham, Interim Clerk to County Council. Committee Member Steve C. Davis, Council District No. 8, was excused from this meeting.

Chairman Schurlknight: "I'd like to call the Committee on Finance to order. Ms. Clerk, has this been properly noticed via the Freedom of Information Act?"

Ms. Windham: "Yes, Sir, it has."

Chairman Schurlknight: "Thank you, ma'am."

**APPROVAL OF MINUTES**

Chairman Schurlknight: "Next on the agenda is approval of minutes for February 27, 2012."

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** the minutes as presented. The motion passed by unanimous voice vote of the Committee.

**EXECUTIVE SESSION – none**

**A. Ms. Leonitta Turner, Human Resources Director**

**1. Medical Service Provider**

Ms. Turner: “Good evening. I come before you tonight regarding our medical service provider who is Dr. Schaefer. We would like to renew his contract. He is on a five-year contract, but renewed annually. We have to check his performance, and we have to come before Council, and we would like to renew him again this year. He has been doing an excellent service for us.”

It was moved by Committee Member Pinckney and seconded by Committee Member Cathy Davis to **approve** the renewal of a contract with Industrial Medical Center as the medical service provider for Berkeley County.

Chairman Schurlknight: “Any discussion?”

Committee Member Pinckney: “Yes, Mr. Chairman.”

Chairman Schurlknight: “Council Member Pinckney.”

Committee Member Pinckney: “Mr. Chairman, in relationship to the doctor, would he be permitted to provide additional examination medical services to – like, for example, our volunteer Fire Department at a reduced cost, at that contract cost. Is that something that would be permissible in this contract?”

Ms. Turner: “You would have to address that directly with him. The only contract we went in specifically was for employees of the County. So, we haven’t asked them about volunteer fire fighters, just like he does not work with us for the prisons; that’s different.”

Ms. Ewing: “Mr. Pinckney, the Fire Departments are independent contractors, so we cannot negotiate or enter into contracts on their behalf. That’s a matter that they would have to address individually with Dr. Schaefer, because they are not employees.”

Committee Member Pinckney: “Ok; thank you, ma’am.”

Chairman Schurlknight: “Any other discussion?”

There was no further discussion.

The motion passed by unanimous voice vote of the Committee.

## **2. Employee Compensation**

Ms. Turner: “As part of this due diligence, the Human Resource Department has been looking at employment compensation across the County. That’s always imperative to make sure that we are gonna be competitive and that we are paying our employees properly. In looking at what we’re doing, one of the things that we would like to do in the future is to really go into a banding type structure. We have been talking to the employees a little, we’ve been talking to management, and we just think that this may be

a good way for us to go. We're just starting to do a lot with the compensation study, so we wanted to come before you today to just talk to you a little bit about broad banding. This is an information only session, because we know that it will take a lot for us to be able to share with County Council the direction that we want to go. I've asked Denise Mitchum, who is our compensation benefits professional and our specialist here to be able to provide you additional information on that study. Denise?"

Ms. Denise Mitchum: "Thank you very much; I appreciate you allowing me a few minutes to talk with you concerning this broad banding system that we're going to probably recommend to Council. First of all, let me say – one of the reasons why we're looking at broad banding is because right now, the County has over 49 different pay grades. And, if we go to a broad banding type system, we're proposing looking at four pay band clusters, and in each one of those pay bands, maybe, have four or five in each one of those clusters, excuse me, have four to five pay bands. This would help us to unify all of our jobs across the County in hopes that it would make it more streamlined to administer our compensation plan, and also to recognize if there's any changes in any positions that we have in the County that we address those also. A lot of people want to know – one question that's come up to us is why broad banding? It's a very flexible system. It eliminates a lot of the administrative details that a lot of department heads have to go through now to change a position or to hire a person in a new position. And, it gives more salary control back to the directors and the supervisors within the departments. Who better to know what kind of work that's being done in those departments than those department directors. There are a few disadvantages with the system. We wanted to let you know of those. It may take several years in order to implement this plan, and also, employees should not expect to have set step amounts each and every year as in some entities, some different employment settings, they do. Advantages – higher base on budget levels for each department and within the County. We allow for small increases to occur, based on an employee's development and their certifications. I have a packet that I would like to give to you at the end of my presentation. I'd be glad to address any questions that you may have after you have seen the materials. Really, this is just to give you an example, a brief summary, of what we've been looking at and what we're working on. We would like to do a Finance Workshop to get into more detail with you concerning all the ins and outs of the program, but we did want to present some information tonight."

Chairman Schurlknight: "And, this information is for information only? Are ya'll looking for a vote or any kind of recommendation from Committee?"

Ms. Mitchum: "No, Sir, we're not tonight, because we really haven't provided enough information for ya'll to make a determination."

Chairman Schurlknight: "Thank you."

Supervisor Daniel Davis: "Yeah, this is gonna be fairly complicated. It's going to require a couple or three workshops to get through it. We just wanted to get the process started."

Chairman Schurlknight: "That will be fine."

Mr. Fish: "Mr. Chairman?"

Chairman Schurlknight: "Yes."

Mr. Fish: "Didn't we just go through this about eight years ago and downsize from all the different bands and stuff we had? Didn't we do that about eight years ago?"

Ms. Mitchum: "I wasn't here at that time, Mr. Fish, but I do believe that the HR Director at that time did a compensation-type study. To stay competitive in the market, whether it be public entities or private entities, you really need to do one about every three to four years. So, this would be the first one that we've actually done."

Mr. Fish: "Because, I thought we'd moved from eighty something down to lesser titles back then. I'm surprised here, you say, we're up to eighty or forty-something different – again, I don't know how we got there."

Ms. Mitchum: "Well, I've been here a little over four years, and since I've been here, we've had 49 different pay grades. That's what we currently have in our system. So, maybe, we had eighty-something before. We have taken them in half, but we'd like to take them down a little bit more, as well."

Mr. Fish: "Thank you."

Mr. Callanan: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Callanan."

Mr. Callanan: "You know, one of the things that I've been trying, I was hoping we'd moved forward with is this compensation study. And so, we're doing this in conjunction with this? Is that what you're saying? Because, right now, you know, we have situations where people are kind of banded into a pay grade, and they're kind of stuck there, because we haven't done kind of a compensation study just to review all of them to make sure everybody's at their proper rate. Is that correct? I mean, there are people in departments, you know, it just creates – I mean, it creates tension in the County amongst employees to find out that – a, this person, especially when you are a public entity, this person is making this amount of money, I've been here longer, but their kind of stuck in there, which is one of the reasons why I'm hearing that this is going to have some sort of compensation study attached to it to try and address those issues?"

Ms. Mitchum: "Yes, Sir; Mr. Callanan, what we did first is we did a job analysis. Members of the Human Resources Department went out, and we actually analyzed positions in every single department that we have. And, what we did after that was we compiled all that information, and we went out to market. We looked at our – what our

positions entailed, exactly, what the duties of the jobs were. We went locally to Charleston County, Dorchester County. We've also done southeastern data. We've actually gone back and spoken with a good number of the department directors already, just to make sure that we're in the right path. And, our feedback, so far, has been positive in the fact that they think that we are recognizing that some positions have been not upgraded, perhaps, as they should have been. But, I would also state to you that not every single position is going to be upgraded."

Mr. Callanan: "Oh, yeah; I agree with that."

Ms. Mitchum: "And, some jobs..."

Mr. Callanan: "And, that actually goes right into my next point, which is, you know, there are certain positions where the person is being adequately compensated, and there are certain positions where a person is overcompensated. Who knows?"

Ms. Mitchum: "That's right."

Mr. Callanan: "And, there's certain positions where they're not. And, that's why these – you know, one of the reasons why, in absence of a compensation study, I have problems with these, you know, percentage-wise increases in pay, either merit pay or COLA adjustments, because they just exasperate the problem. If you simply did the study first, and we use any sort of resources that we were gonna use towards these COLA, you know, COLA upgrades or merit pay increases, and use them towards addressing this compensation problem that we're having, because it's not gonna be a net zero when we implement this, the recommendations by the compensation study. It's gonna cost us money. Why, if as you say, there are people out there who are adequately compensated or maybe overly compensated, why are we giving them raises when there are people who are underpaid who aren't. And so, you know, that's the only point I wanted to bring up here is that if we are gonna implement this, we need to rethink, you know, any sort of these automatic pay increases, because their's inequity in the pay system right now. Let's root out the inequity first, and then, once that's done, we can get back to, you know, these kind of normal COLA increases."

Ms. Mitchum: "Yes, Sir; I do understand your concerns. I will tell you also though, the compensation study is meant to make our positions here at Berkeley County comparable or competitive to other entities, and we will address any salary compression with the compensation study. That is one of the benefits of doing one of these type studies. It does not address anything to do with merit, because merit is..."

Mr. Callanan: "But, here's my point. The point is that because we haven't done this study in awhile, we've got inequity in the kind of pay system from employee to employee. So, what I'm simply saying is let's – until we've got this study done, it makes sense to me that if we were going to put money into some sort of COLA increase or merit pay increase that we use those funds to implement this compensation study recommendations versus doing that, because doing that can, in fact, exasperate the

problem. If someone is adequately paid and someone is underpaid, we're now raising that person who is adequately or overpaid salary, and you know, at a higher dollar amount than the person who's underpaid at a lower salary, because we're doing it on a percentage basis. So, my point is simply this. I'm all for the compensation study. I just think, let's – we're gonna have to figure out a way to pay for it. That's one way I'd use to pay for it is to hold up these automatic increases, and use them as a way to fund this means to eliminate the inequity."

Ms. Mitchum: "Thank you; I appreciate that input."

Chairman Schurlknight: "Do we have any other comments, any other questions?"

There was no further discussion.

Chairman Schurlknight: "You want to hand out some stuff?"

Ms. Mitchum: "Yes."

Chairman Schurlknight: "Good; that will be fine."

### **3. Grievance Committee Appointments**

Ms. Turner: "As you know, in April, every April, we have individuals who go off our Grievance Committee. We have two individuals whose terms are expiring, and I would like to nominate two new people to the Committee, and that would be Robert Mixer, and he would be replacing Roxanne Wiley. And, Marietta Hicks – and she would be replacing Renee Bailey."

Chairman Schurlknight: "Ok; do we have a motion?"

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** the nominations of Robert Mixer and Marietta Hicks to serve on the Berkeley County Grievance Committee, replacing Roxanne Wiley and Renee Bailey, whose terms will end April 30, 2012. The motion passed by unanimous voice vote of the Committee.

**B. Consideration prior to Second Reading of Bill No. 12-02, an ordinance providing for the allocation of revenues generated by the Berkeley/Williamsburg Joint Industrial and Business Park: repealing Ordinance No. 96-01-02, as amended in its entirety; and repealing all resolutions pertaining to the allocation of revenues generated by the Joint Industrial and Business Park in its entirety.**

It was moved by Committee Member Call and seconded by Committee Member Pinckney to **approve** consideration, prior to Second Reading, of Bill No. 12-02.

Chairman Schurlknight: "Discussion."

Mr. Callanan: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Callanan."

Mr. Callanan: "A couple questions – first, will the information that's being proposed here be made available to the public as of tonight."

Ms. Ewing: "Certainly, Mr. Callanan; I was actually going to suggest since the language was fairly short that we might want to go ahead and read it into the record since it has not been seen yet."

Mr. Callanan: "Ok."

Ms. Ewing: "And, I don't know who wants to do that or I can do it."

Mr. Callanan: "Ok; that was my first question. My second one is – this essentially, the heart of this is that there's certain funds right now, which we, for lack of better words, are fee-in-lieu of tax money that are currently not shared with the school board – those ones that are generated out of Mt. Holly Industrial Park. All other ones are. The formula that we've come out with here is that two and a-half million, roughly, will be going to the Water and Sanitation Department, and then \$2,000,000 will be used towards Sheep Island Interchange to be doled out over a number of years all the remaining outside of the requirements for economic development and our partner will be shared with the school system. My one concern that I have on this is that when this – my understanding is that when this Mt. Holly deal was originally proposed, the County was investing its own money in building an industrial park, because there wasn't any industrial park land at the time, and that once we got that paid back, our investment paid back, then we'd be sharing money on a percentage basis, on a proportional percentage basis with the school board. So, the information I just need on this is simply how much the County has invested in Mt. Holly, and currently, how much we've collected, just so I can get a better idea of where we stand. I've spoken with the Finance Chairman, and they're gonna get me that information, but I just want to let, for the record, folks know that in absence of that information, you know, I'll just withhold my support on it until I get it. Thanks."

Chairman Schurlknight: "Before we go any farther, Ms. Ewing, would you like to go ahead and read that into the record for us?"

Ms. Ewing: "I haven't proofread this very closely, so if there's some grammar issues, I apologize."

Chairman Schurlknight: "Not a problem."

Ms. Ewing: “Still a work in progress, but the meat of it’s there. And, I’m just gonna read the NOW, THEREFORE, BE IT ORDAINED portion. Now, therefore, be it ordained by the Berkeley County Council in a meeting duly assembled that, Section I: after making provision for the one percent due to Williamsburg County, the next five percent of all sums collected from the fee-in-lieu of ad valorem property taxes shall be deposited upon receipt by the County in an Economic Development Fund and used for economic development purposes of the County. This is the new section that comes in. Of the remaining funds, \$500,000 shall be allocated to the Berkeley County Water and Sanitation Department until such time as a total of \$2,527,310.00 has been transferred, and that’s the balance of what’s due on that original – the cause of that original resolution. In addition, funds not to exceed \$2,000,000.00 shall be set aside for the construction of the Sheep Island Interchange. The annual amount required for construction of the Sheep Island Interchange shall be determined annually by resolution of County Council. And, the rest of this is pretty much the same as before. The amounts remaining shall be paid to each of the Berkeley County taxing entities in the same percentage as is equal to each taxing entity’s percentage of the millage being levied in the then current tax year for property tax purposes. Section II: all ordinances, portions of ordinances and resolutions in conflict with this ordinance are hereby repealed. And finally, Section III is the effective date, which I have put a placeholder in as July 1, 2012, but that’s Council wishes.”

Chairman Schurlknight: “Thank you, ma’am. Any other comments?”

Mr. Callanan: “Yes, Mr. Chairman?”

Chairman Schurlknight: “Yes, Mr. Callanan.”

Mr. Callanan: “Nicole, just a quick question on this. The line that says the amounts remaining shall be paid out to each of the Berkeley County taxing entities – you said that’s unchanged, but isn’t that the issue that that wasn’t in there before?”

Ms. Ewing: “It’s always been in there, yes.”

Mr. Callanan: “So...”

Ms. Ewing: “With the exception of the Mt. Holly money.”

Mr. Callanan: “Ok; so, we have lines in there saying that with the exception of Mt. Holly?”

Ms. Ewing: “We had the ordinance and then we had a resolution that redesignated the Mt. Holly money. This is bringing the Mt. Holly money back into the pot, and all of it will be distributed this way.”

Mr. Callanan: “Just for my understanding here, my understanding was that this wasn’t in there, and we were just kind of on a gentlemen’s agreement giving every other



multi-county park FILOT to the school board, but by resolution, we were just keeping the Mt. Holly to pay back the debt. So, I'm just – maybe I'm – I thought I read the entire ordinance, and this wasn't in there, but I may be wrong. I can check."

Ms. Ewing: "I have a copy of the ordinance, the original ordinance. I can get with you, but that was in the actual distribution ordinance. And so, everything that's not Mt. Holly money has been, after you take out the one percent and after you take out the five percent, has been distributed to the taxing entities pro rata based on their millage."

Mr. Callanan: "And this does not affect any FILOT that's not a multi-county park, right?"

Ms. Ewing: "That is correct. We only have three fees-in-lieu that are not in a multi-county park. Just for general information, because we've done a lot of research on this lately and have discovered some things. We do have the three that are not in a multi-county park, and FILOT money is distributed just straight, according to the millage, non-multi-county park fee-in-lieu money."

Mr. Callanan: "Right, with nothing taken off the top."

Ms. Ewing: "Nothing taken off the top."

Mr. Callanan: "Thank you."

Mr. Farley: "Mr. Chairman?"

Chairman Schurlknight: "Mr. Farley."

Mr. Farley: "By doing this, this money will go into the pot from Mt. Holly?"

Ms. Ewing: "Mt. Holly would now be in the pot. Mt. Holly would not be treated separately."

Mr. Farley: "Thank you."

Chairman Schurlknight: "Any other questions?"

There were no further questions.

The motion passed by unanimous voice vote of the Committee.

**C. Consideration of a resolution designating April 2012 as Fair Housing Month.**

Chairman Schurlknight read the resolution into the record, as follows:

## “FAIR HOUSING RESOLUTION

WHEREAS, the Berkeley County desires that all citizens be afforded the opportunity to obtain a decent, safe and sound living environment; and

WHEREAS, the Berkeley County rejects discrimination on the basis of race, religion, color, sex, national origin, disability and/or familial status in the sale, rental or provision of other housing services; and

WHEREAS, the State of South Carolina enacted the South Carolina Fair Housing Law in 1989; and

WHEREAS, April is recognized nationally as Fair Housing Month.

NOW, THEREFORE, BE IT RESOLVED, that Berkeley County does hereby designate April 2012 as Fair Housing Month.

APPROVED AND PASSED BY BERKELEY COUNTY COUNCIL THIS MARCH 26, 2012.

Berkeley County, South Carolina  
Daniel W. Davis, Chairman  
Berkeley County Council”

It was moved by Committee Member Pinckney and seconded by Committee Member Call to **approve** consideration of a resolution designating April 2012 as Fair Housing Month. The motion passed by unanimous voice vote of the Committee.

## REPORTS FROM STANDING COMMITTEES

### **Committee on Planning and Development Council Member, Mrs. Cathy Davis, Chairman**

Chairman Cathy Davis: “Yes, Mr. Chairman. The Committee on Planning and Development met on March 12, 2012.”

#### **Transfer of Funds Generated by Performing Arts to Special Event Budget**

Chairman Cathy Davis: “On recommendation of the Committee, I move to approve the transfer of funds generated by the Performing Arts to the Special Events Budget for Cypress Gardens, in the amount of \$1,944.84.” (No second required.)

The motion passed by unanimous voice vote of the Committee.

Chairman Schurlknight: “At this time, I’d like to ask Kace if you would come up. I think she has some information regarding the budget she’s wanting to pass out to us – something we can start looking at.”

Ms. Kace Smith, Finance Director and Deputy Supervisor: “Good evening County Council. We are beginning the budget process, and Marietta is gonna be passing some information out to you. As you all may remember last year, we gave you big notebooks. Here’s an example of the budget requests that we’ve gotten so far this year. This year, we’re giving you that information electronically. So, in the folder that we are distributing, we’ve got several items. We’ve got a yellow sheet that shows the requests that we’ve gotten to-date and the General Fund – broken into the General Fund, Special Revenue and Enterprise. The blue sheet in here is our budget schedule, appointment schedule. We would love to have you come to any of these meetings if you are able to. And also, we have a CD that’s got all our budget requests on here, all the information that’s in this notebook. We will be giving this notebook, this paper notebook, to County Council’s Office. This will be available for your review. If any of you would prefer to get a paper or two paper notebooks, please let us know. And, we will be starting our budget meetings on Wednesday, and we’d love to have you join us.”

Chairman Schurlknight: “Good; thank you very much. And, for the Committee and Council, Kace and myself will be getting together and start talking about our workshops and try to come up on some dates for those. We’re trying to share. Everybody try to pick out some good dates for that.”

It was moved by Committee Member Call and seconded by Committee Member Pinckney to **adjourn** the meeting of the Committee on Finance. The motion passed by unanimous voice vote of the Committee.

Meeting adjourned at 7:25 p.m.

April 23, 2012  
Date Approved

## **FINANCE**

(Standing Committee of Berkeley County Council)

Chairman: Mr. Jack H. Schurlknight, District No. 6

Members: Mr. Robert O. Call, Jr., District No. 3  
Mrs. Cathy S. Davis, District No. 4  
Mr. Caldwell Pinckney, Jr., District No. 7  
Mr. Steve C. Davis, District No. 8

Mr. Phillip Farley, District No. 1, ex officio  
Mr. Timothy Callanan, District No. 2, ex officio  
Mr. Dennis Fish, District No. 5, ex officio  
Mr. Daniel W. Davis, Supervisor, ex officio

A **meeting** of the **COMMITTEE ON FINANCE**, Standing Committee of Berkeley County Council will be held on **Monday, March 26, 2012**, at **6:01 p.m.**, in the Assembly Room, following other scheduled meetings, Berkeley County Administration Building, 1003 Highway 52, Moncks Corner, South Carolina.

## **AGENDA**

*In accordance with the Freedom of Information Act, the electronic and print media were duly notified.*

### **APPROVAL OF MINUTES: February 27, 2012**

**EXECUTIVE SESSION** to discuss matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries, or other businesses in the area served by the County; or discussions of negotiations incident to proposed contractual arrangements and proposed sale or purchase of property, the receipt of legal advice where the legal advice relates to a pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claim, or the position of the County in other adversarial situations involving the assertion against the County of a claim.

#### **A. Ms. Leonitta Turner, Human Resources Director, Re:**

1. Medical Service Provider
2. Employee Compensation
3. Grievance Committee Appointments.

- B. Consideration prior to Second Reading of Bill No. 12-02, an ordinance** providing for the allocation of revenues generated by the **Berkeley/Williamsburg Joint Industrial and Business Park**; repealing Ordinance No. 96-1-2, as amended, in its entirety; and repealing all resolutions pertaining to the allocation of revenues generated by the Joint Industrial and Business Park in the entirety.
- C. Consideration of a Resolution** designating April, 2012 as **Fair Housing Month**.

**REPORTS FROM STANDING COMMITTEES:**

- 1. Committee on Planning and Development**  
**Council Member, Mrs. Cathy Davis, Chairman**
- a.** Transfer of funds generated by the performing arts to the Special Events budget.

March 21, 2012  
S/Catherine R. Windham  
Interim Clerk of County Council